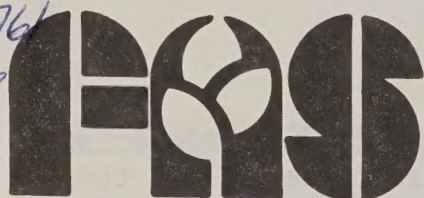


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REPORT

United States
Department of
AgricultureForeign
Agricultural
Service

Washington, D.C. 20250

WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

WR 24-81

WASHINGTON, June 17--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

GRAIN AND FEED

PORTUGAL will begin gradual decontrol of its domestic wheat trade on July 1 in preparation for its proposed entry into the European Community (EC) in 1984. Initially, flour millers will be able to buy wheat directly from farmers. Then on Jan. 1, 1982, millers will be allowed to import wheat on a limited basis. For the past fifty years, these activities have been the sole domain of the Portuguese State Grain Monopoly (EPAC).

During the past five years, Portugal has imported from the United States about 500,000 tons of wheat annually, which has accounted for about 75 percent of its total wheat imports. Once Portugal enters the EC, however, most of its wheat will probably come from within the Community, as importers would have to pay high import levies for continued use of U.S. wheat.

DAIRY, LIVESTOCK AND POULTRY

JAPAN'S Ministry of Agriculture, Forestry and Fisheries recently announced slightly lower beef import quotas for the first six months (April - September) of its 1981 fiscal year. The new beef quota for this period is 68,000 tons, compared with 72,000 tons during the same months of fiscal 1980. Stagnant demand for beef, stable pork and poultry prices, and a considerable increase in domestic production of dairy beef are being cited as reasons for the lower quotas.

The General Quota, covering 60,000 tons of the total beef quota, absorbed all of the 4,000-ton decline from the 1980 level. The hotel, Okinawa, school lunch and boiled beef quotas remain unchanged.

U.S. beef sales to Japan, consisting mostly of high-quality beef, should not decline because of the reduced quota. Japan agreed in the Multilateral Trade Negotiations (MTN's) to increase its imports of high-quality beef to a level of 30,800 tons by a minimum of 10,000 tons during each of fiscal years 1981-83.

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MARY FRANCES CHUGG, Editor. Tel. (202) 447-3370, 447-2381. Additional copies may be obtained from the FAS Information Services Staff, Room 5918-South, Washington, D.C. Tel. (202) 447-7937.

The EUROPEAN COMMUNITY (EC) Commission reduced export subsidies on most cheese shipments to the United States on June 5 in response to the continued strengthening of the U.S. dollar. Subsidies fell 3 cents per pound for Emmenthaler (Swiss) and Gruyere and 8 cents per pound for Edam, Gouda and Danish Svenbo. The subsidy for Colby and Monterey, however, was increased slightly to approximately one-half cent per pound.

ARGENTINA established minimum import prices in late May for several cheeses to counterbalance subsidies for these products from certain exporting countries. Prices for Blue Cheese, Gruyere, Emmenthaler and processed cheeses originating in the European Community, Australia, and Finland and Switzerland was placed at US \$3,750 per ton, c.i.f. Buenos Aires. The minimum import price for semi-hard cheese was set at \$3,000. Also minimum import prices were established for whole dry milk and nonfat dry milk originating in Australia, New Zealand, Austria and Switzerland at \$2,200 and \$1,600 per ton, respectively. For whole dry milk and nonfat dry milk originating in EC countries, minimum import prices were increased from \$2,000 to \$2,200 and from \$1,365 to \$1,600 per ton, c.i.f.

HORTICULTURAL AND TROPICAL PRODUCTS

The INTERNATIONAL COFFEE ORGANIZATION announced a third reduction of 1.4-million bags in the export authorizations of member countries entitled to basic quotas for the 1980/81 coffee marketing year (Oct.-Sept.). This reduction, which will be applied in the July - September quarter, was precipitated on June 4 when the twenty-day moving average indicator price fell below \$1.15 per pound.

Coffee export quotas during the 1980/81 marketing year have been lowered by a total of 4.2-million bags, leaving a global annual authorization for all member-exporting countries of 52.9 million bags. The quota for July-September will total approximately 12.1 million bags.

COSTA RICA and the SOVIET UNION signed an agreement on May 29 providing for the shipment of 500 tons of coffee (8,333 bags of 60 kilograms each) during calendar 1981. The sale represents an additional market for a record 2-million-bag 1980/81 harvest.

Costa Rican sales to members of the International Coffee Organization currently are limited by quota cuts to less than 1.4-million bags. In addition, domestic sales account for about 250,000 bags, leaving a surplus of approximately 350,000 bags available for sale in non-quota markets such as the Soviet Union.

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NEW RELEASES OF FOREIGN AGRICULTURE CIRCULARS

April Cotton Exports Decline, FC 13-81

World Crop Prospects Change Little From Month Ago, WCP 6-81

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INTERNATIONAL WEATHER AND CROP SUMMARY

The weather information previously published each week in this section is now available by subscription to the WEEKLY WEATHER AND CROP BULLETIN. Yearly rates are \$13 domestic and \$18 foreign airmail. Copies may be obtained from the Joint Agricultural Weather Facility of USDA and NOAA, U.S. Department of Agriculture, 3526-South, Washington, D.C. 20250. Tel. (202) 447-7917.

5844-50.

Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Item	June 16, 1981	Change from previous week	A year ago
	\$ per m. ton	\$ per bu.	¢ per bu.
Wheat			
Canadian No. 1 CWRS-12.5%.....	1/	1/	1/
U.S. No. 2 DNS/NS: 14%.....	203.50	5.54	+10
U.S. No. 2 DHW/HW: 13.5%.....	205.00	5.58	+06
U.S. No. 2 S.R.W.....	157.50	4.29	+02
U.S. No. 3 H.A.D.....	213.00	5.80	-19
Canadian No. 1 A: Durum.....	1/	1/	1/
Feed grains:			
U.S. No. 3 Yellow Corn.....	157.50	4.00	+04
U.S. No. 2 Sorghum 2/.....	153.50	3.90	+01
Feed Barley 3/.....	156.00	3.40	+02
Soybeans:			
U.S. No. 2 Yellow.....	296.00	8.06	+15
Argentine 4/.....	290.00	7.89	+12
U.S. 44% Soybean Meal (M.T.)..	255.00	--	+6.00 5/
EC Import Levies			
Wheat 6/.....	93.95	2.56	+11
Barley.....	78.60	1.71	+21
Corn.....	64.35	1.63	+01
Sorghum.....	66.05	1.68	+05

1/ Not available.

2/ Optional delivery: U.S. or Argentine Granifero Sorghum.

3/ Optional delivery: U.S. or Canadian Feed Barley

4/ Optional delivery: Brazil yellow.

5/ Dollars per metric ton.

6/ Durum has a special levy.

Note: Basis July delivery.

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WASHINGTON, D.C. 20250**

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